

CHAPTER 1. INTRODUCTION

1. Preface.

A. The Department of the Interior's (DOI) mission is to protect and provide access to our Nation's natural and cultural heritage, honor our trust responsibilities to Indian Tribes and honor our commitments to island communities. In furthering its programs, DOI may become involved with other Federal agencies that have complementary missions or require exchange of information or services with DOI Bureau/Departmental Offices in order to fulfill their respective missions.

B. Agreements to exchange information, request needed products or services, or coordinate programs to optimize the benefits from each party's efforts between Federal agencies need to be formalized.

C. An Inter/Intra-Agency Acquisition (IAA) must be used whenever there is both the authority to and a desire to exchange funds, personnel, property, services, or any type of commitment or obligation. A written IAA that clearly stipulates the responsibilities of each party can contribute to more efficient and effective reconciliation of intra-governmental exchange transactions and be useful in avoiding future misunderstandings between the parties.

D. Memorandum of Agreement/Understanding (MOA/U) may be used whenever there is agreement to exchange information or coordinate programs to optimize the benefits from each party's efforts where each party is responsible to contribute its own effort and resources (sometimes characterized as 'in-kind-contributions') and neither party exchanges funds, personnel, property, services, or any kind of financial commitment or obligation.

E. This Handbook will promote uniform implementation of IAAs throughout the Department, while giving due consideration to the different individual program requirements and procedures.

2. Purpose and Scope

A. This Handbook applies **only** to inter-and intra- Federal agency agreements. It identifies authorities, responsibilities and establishes general policies and procedures for preparing, reviewing, approving, monitoring, and closing of an IAA. This handbook is intended for internal use by DOI personnel.

B. This Handbook applies to all DOI Bureau/Departmental Offices and applies to IAAs whether or not initially drafted by DOI officials so long as they must be approved by a DOI official. Also, included are IAAs involving interagency acquisitions which are governed by the Federal Acquisition Regulation (FAR).

C. This Handbook provides guidance on determining the appropriate legal instrument for executing agreements.

D. This Handbook does **not** apply to the following types of Agreements:

(1). Contracts, Purchase Orders, or any other type of Federal Procurement awarded under the Federal Acquisition Regulations;

(2). Grants, Cooperative Agreements or Loans defined as being Federal financial assistance under the Federal Grant and Cooperative Act of 1977, as amended, (31 USC 6301-6308);

(3). Cooperative Research and Development Agreements (CRADAs) under the Stevenson-Wilder Act, as amended;

(4). Concessions Contracts not subject to the Federal Acquisition Regulation;

(5). Contracts, Agreements and Compacts entered into with Tribal entities under PL 96-638; or

(6). Any other form of agreement between DOI as the Federal entity and commercial, educational institutions, non-profit and not-for-profit organizations, individuals, State, tribal, and local governments, territories, foreign governments and international institutions.

3. Policy. In furthering its programs, DOI (including its bureaus) may become involved with other entities, including international organizations; foreign, Federal, state, tribal, and local governments; institutions of higher education; and other public and private organizations. This cooperation is consistent with the need to carry out DOI's authorized programs effectively and efficiently. When the effort involves coordination with another DOI bureau or another Federal agency and includes an exchange of funds, personnel, services, or property, a written agreement shall be properly developed, supported by proper statutory authority, reviewed, and approved to formalize the relationship between the Federal partners in the effort.

A. An IAA shall be used by parties entering into a relationship to document a formal agreement e.g., provide or obtain needed services, personnel, property, or any kind of financial commitment or obligation. These formal agreements are required to be recorded as an obligation in the requesting agency's financial system and as a receivable in the servicing agency's financial system. Informal arrangements shall not be used whenever there is an exchange of funds, personnel, services, property, or any kind of financial commitment or obligation.

B. Memorandum of Understanding (MOU) and Memorandum of Agreement (MOA) shall not be used to document an exchange of funds, personnel, services, property, or any kind of financial commitment or obligation. MOUs, MOAs, or GAs may be useful in establishing the overall goals and objectives of a mutually pursued project or program or to exchange information. It must be remembered that an MOU, MOA, or GA cannot be used to/or as the vehicle for documenting the transfer of funds between Federal entities nor can they formally commit the agency to enter into IAAs in support of the project/program.

C. No employee or representative of DOI shall use the policies or procedures contained in this Handbook or the specific guidelines promulgated by the Bureau/Departmental Offices under the authority of this Handbook to circumvent statutory and regulatory requirements relating to the award of procurement contracts or financial assistance. Furthermore, no employee or representative of the DOI shall use any IAA covered by this Handbook as justification for the award of procurement contracts or financial assistance on a noncompetitive basis.

D. Bureaus are required to obtain Office of the Secretary-Solicitor (OS-SOL) review of IAAs prior to signature of the Contracting Officer or Approving Official as follows, if one or more of the three conditions listed below is met.

(1). All proposed Economy Act determinations and Inter/Intra-Acquisitions over \$500,000 when any DOI bureau or office is a requesting agency;

(2). All proposed Economy Act determinations and Inter/Intra-Acquisitions over \$300,000 when the Office of Surface Mining is the requesting agency; and

(3). All proposed Economy Act determinations and Inter/Intra-Acquisitions over \$100,000 when the Office of the Special Trustee for American Indians is the requesting agency.

E. Supplemental Bureau procedures are required by this Handbook. At a minimum, Bureau procedures must contain the required elements of this Handbook, including the requirement for OS-SOL review as specified in item 3.D. above.

F. The Bureau/Departmental Office Head must submit, in writing, a request for any waiver from the requirements of this Handbook to the Director, Office of Financial Management. In the case of a request for any waiver from the requirements of the Department of the Interior Acquisition Regulation (DIAR) part 1417, the request must be submitted to the Office of Acquisition and Property Management. The request must include a full explanation of the reason for the request, justification for the waiver, and the basis for the justification. The Director, Office of Financial Management (or the Director, Office of Acquisition and Property Management, as appropriate) will review the request, coordinate with any other appropriate office(s), and provide a response in accordance with Chapter 6, Section 3.F, of this Handbook. Requests for waivers from the requirements will be approved when such approval would be in the best interest of DOI. The

DIAR can be found at the following web site: <http://www.doi.gov/pam/aindex.html>

4. Determining the Appropriate Legal Instrument for Executing an Agreement.

A. Interagency Acquisitions (aka IAAs) shall be used when an exchange of funds, resources, supplies, or services is made with one or more DOI components (Intra-agency) or made with one or more Federal government entities outside of the DOI (Inter-agency) when there is authority to do so. This Handbook covers IAAs. However, if a servicing agency is a mandatory source (i.e., if it is required by law to provide the services or supplies to other Federal entities), an IAA may not be the appropriate vehicle for obtaining those supplies or services; e.g. General Services Administration (GSA) (34 Comp. Gen. 705); the Government Printing Office (GPO) (44 USC 501, 502, 504 and 1121); the Federal Prison Industries, Inc. (18 USC 4124); and the Committee for Purchase from the Blind and other Severely Handicapped (41 USC 46-48c) orders. Additional information regarding exceptions to using the Economy Act as the authority to obtain supplies/services from other Government agencies is provided in Appendix Two.

B. Memorandum of Agreement/Understanding (MOA/U) or General Agreement (GA) are utilized when specific authority has been granted to enter into agreements with other organizations when there is no transfer of funds, personnel, services, or property. See Chapter 3 of this Handbook for a discussion of Department-wide legal authorities. Authorities commonly used by Bureau/Departmental Offices will be set forth in their procedures.

CHAPTER 2. DEFINITIONS

1. For the purposes of this Handbook, the following definitions are used:

A. *Approving Official*. The Bureau/Departmental Office official who has authority to create a legal liability on the part of DOI to either obligate funds or to commit DOI resources in response to another Federal entities request to provide products, services, personnel, or property in return for funds under the terms of an IAA. The Approving Official is responsible for all aspects of the IAA with the authority to approve, amend, administer, close out, suspend, and/or terminate an IAA. Where DOI is the requesting agency, the Approving Official is typically a warranted Contracting Officer (having the authority to obligate DOI funds). Where the Economy Act is the authority cited for the IAA, the Contracting Officer has authority to execute the Determination and Finding (D&F) required by the FAR. The Approving Official, in cases where DOI is servicing agency, must have appropriate delegated authority to commit the resources of DOI in the execution of the IAA's requirements.

B. *Business Rules for Intra-governmental Transactions*. Basic requirements for processing and recording intra-governmental transactions by all federal agencies. Standard requirements include the use of Dun and Bradstreet Numbering System (DUNS) numbers as unique identifiers for business locations for Federal buyer and seller agencies; the registration of DUNS numbers and related information in the Business Partnership Network (BPN) system; and the establishment of standard business rules and data elements for intra-governmental exchange transactions. (Appendix 1 provides a copy of the October 4, 2002, policy memorandum regarding the business rules for Intra-Governmental transactions. The memorandum is also available at

<http://www.whitehouse.gov/omb/memoranda/m03-01.html>

C. *DUNS Numbers*. Unique numbers that are assigned by Dun & Bradstreet Corporation to individual business locations of federal buyer and seller agencies to ensure standardized government-wide reporting and accounting for intra-governmental transactions.

D. *Federal Acquisition Regulation (FAR)*. The government-wide regulation that provides guidance and procedures for federal contracts. The FAR is codified under Title 48 of the Code of Federal Regulations (CFR). Interagency Agreements pursuant to the Economy Act are guided by Subpart 17.5, "Interagency Acquisitions under the Economy Act," of the FAR.

E. *Government-wide Area Contract (GWAC)*. Contracts for various information technology resources entered into by one federal agency but which other federal agencies can use. Some agencies with GWACs require an interagency agreement before another agency can order against the contract. Interagency agreements for the use of GWACs typically fall under the authority of the Clinger-Cohen Act. Orders placed with the GWAC as a result of an interagency agreement must follow the procedures of 48 CFR 16.505.

F. *In-Kind Contributions*. An in-kind contribution or amount is a contribution other than a monetary contribution, e.g., services or property that is formally included in MOA/Us and may be included in an IAA in addition to transfers of funds, etc.

G. *Interagency Acquisition*. Interagency acquisition is a written arrangement between one or more Federal agencies which specifies the goods to be furnished or tasks to be accomplished by one agency (the servicing agency) in support of the other (the requesting agency).

H. *Intra-agency Acquisition*. Intra-agency acquisition is a written arrangement between/among DOI components, all of which must have the statutory authority to engage in the arrangement.

I. *Intra-Governmental Transactions*. IGTP is a project that was initiated to address long-standing problems with intra-governmental exchange transactions between federal agencies known as reimbursable agreements or interagency agreements. See *Business rules for Intra-governmental Transactions* above for more information.

J. *Memorandum of Agreement (MOA)*. Memorandums of Agreement define general areas of conditional agreement between two or more parties – what one party does depends on what the other party does (e.g., one party agrees to provide support if the other party provides the materials. The term, MOA has no reference to any designated statutory authority or financial arrangement.

K. *Memorandum of Understanding (MOU)*. Memorandums that define general areas of understanding between two or more parties – explains what each party plans to do; however, what each party does is not dependent on what the other party does (e.g., does not require reimbursement or other support from receiver). A MOU is an agreement to agree and is not legally binding on either party.

L. *Office of the Solicitor, Division of General Law (Procurement and Patents)*. The DOI Office of the Solicitor (OS-SOL) element that is responsible for providing legal advice relative to IAAs.

M. *Bureau/Departmental Offices*. An organizational entity of DOI charged with carrying out specified substantive functions (i.e., programs) of the DOI. The Bureau/Departmental Offices are the components of the DOI through which most of its substantive functions are carried out. Bureau/Departmental Offices are further discussed in Part 332 Departmental Manual Roles and Responsibilities.

N. *Program/Project Officer*. The Bureau/Departmental Office official who is responsible for the

technical, scientific, or other programmatic aspects of the work to be conducted under the IAA. The Program/Project Officer tracks and monitors the progress of work conducted under the agreement.

O. *Requesting (Buyer) Agency*. The Federal agency or other DOI Bureau/Departmental Office that is requesting/ordering goods or services.

P. *Servicing (Seller) Agency*. The federal agency or other DOI Bureau/Departmental Office that will provide the goods or services, either directly or by contracting for the goods or services.

Q. *Service-Level Agreement (SLA)*. Service level agreements are either directly incorporated in the IAA or are incorporated in full text or by reference as attachments to an IAA. They establish mutually agreed upon service levels, monitoring methods, and organizational responsibilities. Their purpose is to provide both parties (buyer and seller) with a clear understanding of the services to be provided, the responsibilities of each party, and, in particular, the performance measures defining the standards for delivery of the service.

R. *User Charges*. Fees charged by DOI when it conveys special benefits to individuals or non-Federal organizations beyond those accruing to the general public.

CHAPTER 3. LEGAL AUTHORITIES

1. Authorities for an IAA. DOI may not enter into an IAA with another party unless authorized by law. The two authorities listed below apply to all DOI bureaus. Other legal authorities for entering into IAA's may exist but because they are specific to individual bureaus, they are not all listed below. Authorities commonly used by Bureau/Departmental Offices should be set forth in Bureau/Departmental Office procedures. See Chapter 7, Section 11, of this Handbook and Appendix Two.

The Economy Act of 1932, as amended (31 USC §1535) authorizes agencies to purchase goods or services from other Federal agencies and major organizational units within the same agency.

(1). Review by Office of the Solicitor (Procurement and Patents) is required as stated in Chapter 1, Section 3.D. (1)-(3).

(a). All proposed Economy Act determinations and Inter/Intra-Acquisitions over \$500,000 where a DOI entity is the requesting agency,

(b). All proposed Economy Act determinations and Inter/Intra-Acquisitions over \$300,000 where the Office of Surface Mining is the requesting entity, and

(c). All proposed Economy Act determinations and Inter/Intra-Acquisitions over \$100,000 where the Office of the Special Trustee for American Indians is the requesting entity.

(2). An Economy Act purchase is permitted only if all of the following conditions apply:

(a). Amounts (funds) for the purchase are actually available; and

(b). The purchase is in the best interest of the government; and

(c). It has been determined that ordered goods or services cannot be provided by contract from a commercial enterprise, i.e., the private sector, as conveniently or cheaply as by the government; and

(d). The Bureau/Departmental Office to fill the order is able to provide, or get by contract, the ordered goods or services.

(3). A Determination and Finding (D&F) as required by 48 CFR § 17.503 must be properly executed when DOI is the requesting agency.

(4). Orders for goods or services cannot be placed pursuant to an Economy Act if there is more specific legal authority that authorizes the purchase from another government entity. An example of interagency acquisitions to which the Economy Act does not apply is the acquisition from required sources of supplies prescribed in 48 CFR 8, “Required Sources of Supplies and Services” (which have separate statutory authority).

(5). Full cost recovery is required by law in all agreements entered into pursuant to the Economy Act. See Chapter 7, Other Information and Administrative Requirements.

(6). The Economy Act does not allow a Federal agency or Bureau/Departmental Office to receive a profit when providing goods or services. See Chapter 7, Other Information and Administrative Requirements.

(7). The Economy Act stipulates that the servicing agency must complete its transaction obligating the funds within the period of availability that was provided to the requesting agency when the funds were appropriated by Congress, that is, the servicing agency must either properly obligate the funds against a procurement contract (or other agreement under authority other than the Economy Act) or complete performance of the work internally before the transferred funds expire. A transfer of funds under the Economy Act does not extend the availability of funds beyond that provided by Congress in the applicable appropriations act.

(8). Any restrictions, limitations, or requirements on the availability of appropriations to the federal agency that transfers the funds are also binding on the federal agency that receives the funds.

(9). The federal agency that transfers the funds remains responsible and accountable to Congress for the funds.

(10). Interagency agreements under the authority of the Economy Act are subject to specific requirements of the FAR set forth at 48 CFR 17.5. These requirements include:

(a). In accordance with 48 CFR 17.5, each interagency agreement under the authority of the Economy Act must be supported by a D&F signed by a requesting Contracting Officer or another official designated by the agency head. If the servicing agency is not covered by the FAR, approval of the D&F may not be delegated below the senior procurement executive of the requesting agency.

(b). In accordance with 48 CFR 17.502(c), acquisitions under the Economy Act are not exempt from the requirements of 48 CFR 7.3, “Contractor versus Government Performance.” Thus, OMB Circular A-76 applies to IAA. Requirements of OMB Circular A-76 must be followed when there is a conversion between in-house performance (performance by Government personnel) and contractor performance. OMB Circular A-76 Coordinators can provide additional guidance for converting between in-house and contractor performance.

<http://www.whitehouse.gov/omb/circulars/a076/a076.html>

Conversion occurs when either of the following applies:

(i). Services currently performed in-house (with government personnel) will be contracted out and performed by non-government personnel via an interagency acquisition; or

(ii). Services currently performed by a contractor (non-government personnel) will be performed by government personnel of another agency via an interagency acquisition.

(11). The Economy Act can also serve as authority to procure financial assistance administration services from another federal agency and to transfer the corpus of financial assistance funds if, in addition to the requirements listed in Chapter 3, Section 1, paragraphs A.1 through A.11 (as applicable), both the requesting and servicing agencies have statutory authority to provide financial assistance for the purposes(s) for which the funds are to be used. The requesting agency remains accountable to Congress for these activities. However, in addition, the Economy Act can be used simply to purchase financial assistance administration services or other technical assistance from the servicing agency, subject to applicable requirements in paragraphs A.(10).(a)-(b) above. The servicing agency in this instance is not required to have programmatic statutory authority to provide financial assistance because the requesting agency will execute the financial assistance awards, not the servicing agency.

B. *Clinger-Cohen Act (40 USC § 1412(e))*. This legislation is also known as the Information Technology Management Reform Act (ITMRA). The Clinger-Cohen Act grants OMB the authority to designate executive agents for government-wide acquisitions of information technology. Designated agencies have established GWACs from which other federal agencies are permitted to make acquisitions. Interagency agreements are typically required between the executive agency and the ordering agency. The acquisitions are subject to the requirements of 48 CFR 16.505(b), "Orders under Multiple Award Contracts." The head of the requesting (buyer) contracting office must review all agreements issued under the authority of the Clinger-Cohen Act. <http://www.whitehouse.gov/omb/circulars/a130/a130trans4.html#1>

C. *Other Authorities or Bureau/Departmental Offices or Authorities available to Other Agencies*. There are numerous other unique or specific legal authorities pursuant to which DOI Bureau/Departmental Offices or other agencies may enter into an IAA.

2. Choosing the Correct Authority. Each proposed IAA must be carefully analyzed to assure that the correct legal instrument and authority are used. If there is a question with respect to the correct legal instrument or legal authority, OS-SOL should be consulted.

CHAPTER 4. DEVELOPING AND PROCESSING AGREEMENTS

1. Preparing an IAA – Requesting or Buying Agency. The process for developing an IAA may vary among Bureau/Departmental Offices and federal agencies, as each may have its own procedures and organizational structure, processes, and requirements. However, there are some procedures that should be completed in a specific sequence or order. The following is a recommended process that can be followed to meet the individual needs of Bureau/Departmental Offices and the requirements of the individual IAA being negotiated and developed. These steps should begin after initial discussions with each proposed party to the agreement and a general understanding has been reached with respect to the correct legal and programmatic authorities, the work to be accomplished, estimated costs, and the responsibility of each party to the agreement.

A. Identify the staff/office(s) that will be needed to develop, process, and complete the IAA. This may include the finance office, budget office, contracting office, approving official, OS-SOL, and A-76 coordinator. These offices and officials can also provide advice and guidance upon request. Confer and/or meet with staff from each office identified, as needed.

B. Determine the responsibilities of each office identified. For example, the budget office shall certify the availability of funds or reserve Bureau/Departmental Office funds that are to be obligated by the IAA. The finance or other appropriate office will establish an account into which monies can be transferred from each party to the IAA, as appropriate, and serve as the financial contact for the Bureau/Departmental Office to each party to the IAA.

C. Provide a purchase request for reservation of funds, if applicable, in the Bureau/Office contract document generating systems to certify the reservation of funds. When the IAA is initiated by DOI as the requesting agency, provide a requisition to the acquisition/procurement office that supports the program office that requires the execution of the agreement. If further obligation of funding will be made by the servicing agency, provide information for inclusion in the IAA as to when, or if, the funds expire for obligation purposes (unless they are to be deposited in a working capital fund).

D. Refer to Appendix A-1 of the OMB Business Rules for Intragovernmental Exchange Transactions applicable to 'requesting agency' IAA's.

E. Establish a single point of contact for each party to the agreement. To avoid confusion and uncertainty, it is important to have a single point of contact from each party to the agreement for coordination purposes and resolution of issues.

F. *Draft the IAA for management review.* Refer to Chapter 5 of this Handbook for minimum required information to be included in an IAA. Formats may vary, depending upon requirements of each party to the agreement, so flexibility with respect to actual format is sometimes necessary, however when DOI is the requesting agency, DOI's automated contract document generation system, known as IDEAS will be used to prepare and execute the IAA and transmit the obligation to the Bureau/Office Finance System. The management review of the IAA must ensure that the IA award obligation in the Bureau/Office contract document generation system includes the properly formatted OMB required obligation data elements.

Validation edits within IDEAS-PD will assure that the required IGT Portal seller information and line item information are present on the IA award order/obligation, however please follow these additional guidelines:

- **YOU MUST ENTER THE SELLER Proposal Document Number or SELLER IAA Reference number IN THE Vendor ATTN field in IDEAS-PD when creating the IA award obligation.**
- **The contact information provided must include an email address and phone number.**
- **The state code associated with the contact information provided must be the abbreviated state, i.e., 2 characters.**
- **The country associated with the contact information provided must be the abbreviated country, i.e., 3 characters.**
- **The unit of measure associated with the line item information provided must be a 2-character abbreviation (e.g., year – yr, month – mo, hours – hr). (Special Note: Measures should relate directly to billing cycle; if billing will be annual, select 1 year (yr), if billing will be monthly, select 12 months (mo).)**
- **Select billing cycle Monthly or Advance**
- **Use the IDEAS PD-FFS interface to obligate the document in FFS (MANDATORY).**

G. *Coordinate with the approving official, Solicitor, contracting officer, A-76 coordinator, and other appropriate officials as necessary to identify any performance, policy, budget, legal, or other outstanding issues and to finalize the draft agreement for DOI.*

H. *Coordinate as necessary with an authorized representative of each party to the agreement to discuss the draft agreement and resolve any outstanding issues.*

I. *Provide the unsigned IAA to the appropriate officials, including OS-SOL if necessary, to obtain appropriate approvals.*

J. *Finalize the IAA for signature by the Contracting Officer.*

K. *Execute the IAA in IDEAS and transmit the data associated with the agreement to the Bureau accounting system.* Requirement noted in memorandum dated April 10, 2003 from Deputy Assistant Secretary – Budget and Finance. See Appendix 1-A.

(NOTE: neither IDEAS nor FFS presently store all of the IAA order/obligation data elements that are required for transmission to the IGT Portal. Additional crosswalk tables should be established in an IGTP Interface System to associate buyer DUNs number from CCR/BPNs to internal buyer organizations. An Interface System should be used to retrieve obligation

information from IDEAS and FFS and transmit to the IGT Portal. Crosswalk buyer DUNS Number/organization tables must be maintained by the buying agency.

2. Preparing the Documentation Associated with IAAs – Servicing or providing agency.

A. *Identify the staff/office(s) that will be needed to develop, process, and complete the IAA.* This may include the finance office, budget office, OS-SOL, and A-76 coordinator. These offices and officials can also provide advice and guidance upon request. Confer and/or meet with staff from each office identified, as needed.

B. *Determine the responsibilities of each office identified.* The finance or other appropriate office will establish an account into which monies can be transferred from each party to the IAA, as appropriate, and serve as the financial contact for the Bureau/Departmental Office to each party to the IAA.

C. *Assist in drafting an IAA if asked to do so by the requesting agency.* The DOI servicing entity may assist in drafting an IAA, but the requesting agency is ultimately responsible for the format and content of the document, for establishing the obligation in their Bureau/Office Financial System and for transmitting the obligation to the IGT Portal. Refer to Chapter 5 of this Handbook for minimum required information to be included in an IAA. Formats may vary, depending upon requirements of each party to the agreement, so flexibility with respect to actual format is necessary. The servicing agency IA Reference number or proposal document number must be recorded on the requesting agency's order/obligating document that is transmitted to the IGT Portal in the IA Reference number field.

D. *Coordinate with the program manager, OS-SOL, A-76 coordinator, and other appropriate officials as necessary to identify any performance, policy, budget, legal, or other outstanding issues and to finalize the draft agreement for DOI.*

E. *Coordinate as necessary with an authorized representative of each party to the agreement to discuss the draft agreement and resolve any outstanding issues and coordinate again, if necessary, with officials in Chapter 4.2.D. above.* This includes information from the requesting agency for inclusion in the IAA as to when, or if, the funds provided will expire for obligation purposes (unless they are to be deposited in a working capital fund).

F. *Provide the IAA signed by the requesting agency to the appropriate officials.*

G. The servicing agency must ensure that goods and services provided associated with the approved buyer order can be properly billed:

1. Create a reimbursable agreement (RA) in the Bureau/Office financial system for each order that is received from a buying agency and approved. Buyer DUNS, DUNS+4 and Order Number must be recorded in the first 24 characters of the RA description field as a reference to the associated order.
2. Create projects and account numbers in the Bureau/Office financial system for each order line item to accurately track goods and services provided associated with the order line

item.

3. Create billing documents (BD) in the Bureau/Office financial system until IPAC confirmation of approval.
4. Once IPAC confirmation is received for a bill, a Cash Receipt (CR) documents must be created in the Bureau/Office financial system.

NOTE: Additional crosswalk tables should be established in an Interface System to accurately associate specific seller POCs with orders and to crosswalk orders to newly established reimbursable agreement documents. An Interface System should be responsible for retrieving billing documents and transmitting bill records to the IGT Portal. Associated RA, Accounts, Orders, POCs will be accessed to send all of the OMB required bill data elements to the IGT Portal.

3. Information required by the OMB Business Rules for Intra-governmental Exchange Transactions. The OMB Business Rules for Intra-governmental Exchange Transactions establish basic rules for processing IAAs. These rules are covered in Appendix 1 and OMB Memorandum M 03-01 dated October 4, 2002, at:
http://www.whitehouse.gov/omb/memoranda/m03-01att_a1.html.

A. Federal agencies that acquire goods or services from, or provide goods or services to, another Federal agency must obtain and register their DUNS numbers with the Business Partnership Network (BPN). <http://www.bpn.gov> The DUNS number is a unique business location identifier.

B. When the requesting agency (or buyer) determines that a requirement will be fulfilled by another federal agency/entity, the requester will prepare and transmit an IAA (order) to the providing agency (or seller). Negotiations between the business partners may take place prior to the preparation of the IAA, and the seller may prepare the IAA for the buyer. The requesting agency must include the servicing agency's IAA (or Proposal) Reference Number in the IA Reference Number field of the buyer's order/obligation that is transmitted to the IGT Portal.

C. The new OMB rules require that federal agencies must collect and record specified data elements about each exchange transaction and adhere to new requirements on advance payments.

D. All DOI interagency agreements, subject to allowance of the agreement type (IT, Rent, etc) by the IGT Portal, must be transmitted from the requesting agency to the servicing agency via Intragovernmental electronic commerce portal. All DOI bills associated with interagency agreements that were transmitted via the Intragovernmental electronic commerce portal must be transmitted from the seller to the buyer to IPAC via Intragovernmental electronic commerce portal.

4. Information Required in an IAA. Guidelines for specific kinds of information to be included in an IAA are found in Chapter 5 of this Handbook.

CHAPTER 5. AGREEMENT PROVISIONS AND FORMAT

1. Required Information in Every IAA. Requirements for IAA depend upon the financial circumstances, purpose, and appropriate programmatic and legal authorities. Information listed in Paragraphs A through K of this section are required in an IAA.

A. *Identification of all parties to the IAA.* Include the name and address of each organization(s) as well as a contact person, contact person's e-mail address, and telephone number for each party to the IAA. The agreement should stipulate that changes to the contact person, the contact person's title, and telephone number, E-mail, and fax numbers for each party may be made by written notification to each party to the agreement.

B. *Funding Information.*

(1). The financial arrangements for all parties to the agreement must be clearly stipulated including when the funds provided expire for obligation purposes. This includes a citation for a DOI accounting code for an IAA as well as payment terms and method of payment. All financial data elements required by OMB's Business Rules for Intra-governmental Exchange Transactions shall be included in the agreement.

(2). The following provision should be used in agreements as appropriate:

"The ability of the parties to carry out their responsibilities under this agreement is subject to their respective funding procedures and the availability of appropriated funds. Should either party encounter budgetary problems in the course of its respective internal procedures which may affect the activities to be carried out under this agreement, that party will notify and consult with the other party or parties in a timely manner."

C. *Purpose and Object of the IAA.* Describe the purpose and objective of the IAA. The agreement must provide a comprehensive description of the work to be conducted under the agreement. Also, it is suggested that general introductory information about the functions of the parties involved be included

D. *Responsibilities of Each Party to the IAA.* The division of responsibilities and commitments of each side should be defined as precisely as possible, with separate paragraphs for each party. Where applicable, the agreement should include goals, performance measures, products, and a schedule of strategic milestones. This may take the form of a Service Level Agreement either incorporated in the IAA in full text or by reference.

E. *Signatures*. Include the signature of an official duly authorized to sign the IAA, title, address, and date of signature for each party. In order to be valid, an IAA must be signed by all parties (in cases where DOI is the requesting agency under the IAA, the signature obligating DOI's funding to the servicing agency must be that of a warranted Contracting Officer). The Servicing agency must sign the IAA prior to the Contracting Officer's signature (award) of the IAA.

F. *Agency order data elements*. Include agency order data elements identified in Attachment A-1 exchange transactions identified in the OMB Business Rules http://www.whitehouse.gov/omb/memoranda/m03-01att_a1.html.

G. *Bureau/Departmental Offices Document Control Number*. Each Bureau/Departmental Office must develop a standardized agreement document control numbering system in concert with directions from the Department. The document control number shall also be included on the Bureau/Departmental Office's file copy of the agreement.

H. *Legal Authority*. The IAA will include the citation for legal authority to transfer funds or to commit resources.

I. *Period of IAA*. The IAA should include a specified start date and completion date. However, if the completion date is not known and the period of the agreement is expected to stretch over a number of years, the completion date may be listed as indefinite. If the award is made pursuant to the FAR, the period of performance of the IAA cannot exceed 5 years, just like any other contract awarded pursuant to the FAR.

J. *Estimated Costs*. The IAA should specify the total estimated costs and, if appropriate, a budget contact for each party to the agreement. If the agreement does not contain a detailed budget, the Official Agreement File may contain a copy of the budget listing with the total estimated costs for each party to the agreement.

K. *Project or Proposal Title*. The IAA should include a title that briefly summarizes or describes the work to be performed under the agreement.

2. Recommended Information in all IAAs. Information listed in this section is recommended for inclusion in every IAA. The decision to include or omit this information in the agreement document rests with the Bureau/Departmental Offices, but the information must be included in the Official Agreement File.

A. *Program Authority*. The IAA should generally include the citation for programmatic authority for the objectives of the IAA. State the statutory and/or regulatory citation that authorizes the objectives of the agreement for each federal agency that is a party to the agreement (e.g., applicable Public Law, USC citations, executive orders, General Accounting Office directive(s)). Also, the agreement should cite any other pertinent references, such as DOI or Bureau/Departmental Offices' directives, previous agreements, correspondence, or memoranda, etc.

3. Requesting/Buying - Payable IAA. In addition to items listed in Sections 1 and 2, as applicable, of this Chapter, the following information may be needed for the requesting agency to pay under an IAA:

A. *Authorizing Statute.* The authorizing statute for some federal programs requires agencies to obtain advance funding for projects. If required by statute, the IAA must include a provision for advance funding. Disbursements should be consistent with and proportionate to performance.

B. *Full Cost Recovery Statement.* If total costs are to be recovered, the IAA must contain a statement that full cost recovery will be achieved.

C. *Method for Settlement of Disputes.* A method for settlement of disputes consistent with OMB's Business Rules for Intra-governmental Exchange Transactions shall be included in each agreement. This may take the form of a Service Level Agreement (SLA), either incorporated in the IAA in full text or by reference.

D. *Termination/cancellation clause.* Every IAA should include a provision whereby each party may terminate the agreement within a specified time if written prior notice is provided to all parties. The language may, as necessary, include further specifics regarding the rights and liabilities of the parties in the event termination of the agreement occurs.

E. *Future Modifications or Amendments.* As appropriate, the IAA may include provision for future modifications or amendments.

F. *Performance standards and review procedures (sometimes referred to as a Service Level Agreement).* If the agreement is for an extended or indefinite period of time, it should contain a provision for review, at least every three years, to determine continuing need and whether the agreement should be revised, renewed, or canceled. Agreements entered into before the issuance of this Handbook shall be reviewed within three years.

G. *Expiration Date for Obligation of Funds.* If the IAA will result in the servicing agency executing contractual or other obligating documents with non-Federal entities, the IAA must include information as to when the funds provided expire for obligation purposes. Transactions where the servicing agency has authority to deposit the funds in working capital funds or otherwise obligate the funds without regard to the expiration of the original appropriation are exempt from this requirement.

4. Other Provisions. The IAA may contain applicable terms and conditions. The following items should be considered for possible inclusion, as applicable in the IAA or may take the form of a Service Level Agreement. As not all items are appropriate for all situations, discretion and good judgment must be used when preparing an IAA. The following general information may be needed, depending upon the specific requirements of the IAA.

- A. Delegations of authority, channels and protocols for working relationships, and names, addresses, E-Mail addresses, and telephone numbers of liaisons, , as applicable.
- B. Administrative regulations, policies, and procedures applicable to the work to be conducted under the IAA (e.g., travel or property management requirements, the Paperwork Reduction Act, or the Freedom of Information Act, etc).
- C. Guidelines for the release of technical and public information regarding the project, to include rights for data access and utilization.
- D. Liability issues, if any. Liability may apply to projects under the IAA where there is any potential for damage or injury to persons or property. In addition, an agreement may also include indemnification language to protect DOI from suits. Clauses may be added to provide that if such suits are brought against DOI, the other party to the agreement will assist or cooperate in DOI's defense. No DOI Bureau/Departmental Office may indemnify an outside party.
- E. Method for settlement of disputes. The following provides suggested language to be included in IAAs regarding settlement of disputes:

“RESOLUTION OF DISPUTES

Nothing herein is intended to conflict with current DOI or [name of other agency] directives. If the terms of this agreement are inconsistent with existing directives of either of the agencies entering into this agreement, then those portions of this agreement which are determined to be inconsistent shall be invalid, but the remaining terms and conditions not affected by the inconsistency shall remain in full force and effect. At the first opportunity for review of the agreement, all necessary changes will be accomplished either by an amendment to this agreement or by entering into a new agreement, whichever is deemed expedient to the interest of both parties.

Should disagreement arise on the interpretation of the provisions of this agreement, or amendments and/or revisions thereto, that cannot be resolved at the operating level, the area(s) of disagreement shall be stated in writing by each party and presented to the other party for consideration. The buyer and the seller are expected to resolve any dispute within 30 business days of the billing date using existing dispute mechanisms. If the dispute cannot be resolved using these mechanisms, then the matter may be referred to a dispute resolution task force for a binding decision. Administrative costs and penalties may be levied on the agencies involved in the dispute referral.”

- F. Effective date, review clause, and termination/cancellation clause. The Bureau/Departmental Office should generally include a provision regarding the effective date and how each party may terminate the agreement within a specified time if written prior notice is provided to all parties. The language may, as necessary, include further specifics regarding the rights and liabilities of the parties in the event termination of the agreement occurs. The following provides suggested language to be included in IAAs or SLAs regarding effective dates, reviews, and

termination/cancellation clauses:

(1). Effective date: “This agreement will become effective on the date specified in the agreement or, absent that, when signed by all parties.”

(2). Review Clause: “If the agreement will last longer than three years, the following sentence should be included in the agreement: “The parties will review this agreement at least once every three years to determine whether it should be revised, renewed, or cancelled.”

(3). Termination/Cancellation Clause: “The agreement will terminate on [date], but may be amended at any time by mutual consent of the parties. Any party may terminate this agreement by providing [specify number of] days written notice to the other party. When an accepted agreement is cancelled by the buyer, the seller is authorized to collect costs incurred prior to cancellation of the agreement plus any termination costs.”

G. Provision for future modifications or amendments to the agreement.

H. Specific or general budget information, when appropriate. In such cases, the total estimated costs and budget summaries for each party are needed.

I. Any additional provisions or special conditions pertinent to the particular agreement, including additional requirements of agency specific statutes.

5. Format and Construction of an IAA.

A. The format and construction of an IAA may be dependent upon several factors, such as the type of authority for the IAA and internal Bureau/Departmental Office procedures. In addition, another party to the agreement may require a specified format that is not identical to DOI formats. For these reasons, this Handbook does not require a specific format for interagency and other special agreements but offers recommended examples of formats for some agreements in the sections above.

B. The Bureau/Departmental Office requesting the exchange of supplies, services, or funds must document the agreement for all intra-agency agreements and must attach thereto any supporting documentation or required funding documents.

CHAPTER 6. RESPONSIBILITIES

1. The Assistant Secretary – Policy, Management and Budget and Chief Financial Officer (ASPMB/CFO). The DOI ASPMB/CFO is responsible for developing and implementing policies, standards, and procedures for the general administration of every IAA covered by this Handbook for DOI.

2. The Deputy Assistant Secretary Budget and Finance (DASB&F). The Deputy Assistant Secretary Budget and Finance is delegated the authority to develop, issue and oversee implementation of policies and procedures for the administration of every IAA covered by this Handbook for DOI.

3. The Director, Office of Financial Management (PFM). The Director, PFM, is also delegated the authority provided by this Handbook to DASB&F. PFM will be responsible for the following functions with respect to every IAA:

A. Coordinating a review of the Department's IAA policy and procedures with the Bureau/Departmental Offices. Upon completion of such review, PFM will update the Handbook, as appropriate.

B. Providing guidance, interpretations, and technical assistance on Department-wide policies and procedures for the administration of IAA. PFM will coordinate with OS-SOL and other offices as appropriate in fulfilling this function.

C. Conducting or participating in reviews, task force groups, or other assessments to assure compliance with Department-wide policies and procedures established for the administration of IAA.

D. Preparing, issuing,, and maintaining this Handbook in a collaborative process with the DOI Bureaus/offices.

E. Notifying appropriate Bureau/Departmental Offices of changes and revisions to these policies and procedures.

F. Considering, and acting upon, requests for waivers to the provisions of the Handbook in accordance with Chapter 1, Paragraph 3.F and as permitted by governing statutes and regulations, and notifying in a timely manner the Bureau/Departmental Office of the decision to approve or deny the request. Exception: the Director, Office of Acquisition and Property Management will handle those related to Economy Act provisions of the FAR and the Department of the Interior's Acquisition Regulation. If a waiver is denied, a written explanation will be provided to the requester.

G. Developing and conducting dispute resolution practices for Intra-governmental disputes and serving as Chairperson of DOI dispute resolution task force for IAAs.

4. Office of the Solicitor (OS-SOL) – Procurement and Patents. The OS SOL-Procurement and Patents serves as the final legal authority for IAA review and clearance. The OS SOL will verify that the correct legal authority has been selected and that the IAA is in compliance with legal and regulatory requirements. Prior to signature of a DOI Contracting Officer or DOI Approving Official, OS SOL-Procurement and Patents::

- A. Review of all proposed Economy Act determinations and Inter/Intra-Acquisitions over \$500,000 when any DOI bureau or office is a party to the agreement either as the requesting or the performing agency;
- B. Review of all proposed Economy Act determinations and Inter/Intra-Acquisitions over \$300,000 when the Office of Surface Mining is the requesting agency; and
- C. Review of all proposed Economy Act determinations and Inter/Intra-Acquisitions over \$100,000 when the Office of the Special Trustee for American Indians is the requesting agency.

5. Head of the Bureau/Departmental Offices. The Head of the Bureau/Departmental Office is responsible for assuring that all procedures set forth in this Handbook are followed within the Bureau/Departmental Office and that supplemental procedures are instituted in accordance with this Handbook.

6. Specific Bureau/Departmental Office Responsibilities. The following is a list of responsibilities by broad category of general functions. These responsibilities must be specifically and explicitly assigned as appropriate within each Bureau/Departmental Office. Although the responsibilities listed below are arranged under broad categories by function for organizational purposes in this Handbook, this Handbook is not prescribing the official to be responsible or that responsibilities be assigned as categorized. The Bureau/Departmental Office may rearrange or combine the responsibilities in any manner that works best for the Bureau/Departmental Office. However, each responsibility listed must be assigned to an appropriate official and specifically included in the Bureau/Departmental Office procedures that will state the responsibilities of various offices.

A. Approval Functions.

- (1). Ensure that each IAA has the proper legal authority and that the file contains all necessary documentation.
- (2). Ensure that all Bureau/Departmental Office clearances have been received and are documented in the file.
- (3). Determine that the IAA is in the best interest of the Bureau/Departmental Office and DOI.
- (4). Ensure that any IAA in which DOI is the requesting agency under the Economy Act

authority have the requisite D&F as set forth at FAR 17.5; and that the agreement has been signed by the Bureau/ Office's contracting officer pursuant to FAR 17.5.

(5). Approve any amendment to the agreement and any extension(s) to the completion date of the agreement.

(6). Secure, and maintain on file, specific delegations of authority from the head of the Bureau/Departmental Office to approve and sign the IAA. Delegations of approval and signature authority may be limited to certain levels of Bureau/Departmental Office officials, within certain financial limits, for certain types of agreements, or for any other administrative reason or category. Delegations of authority may be further delegated, unless the head of the Bureau/Departmental Office specifically states otherwise. Contracting officer functions shall remain with warranted contracting officers.

B. Budget, Finance, Acquisition, and Accounting Administrative Functions.

(1). Ensure that funds are available to enter into an IAA, reserve the funds as necessary, and provide written confirmation of the reservation of funds. (Applicable to IAAs where DOI is the requesting agency).

(2). Ensure that an obligation is recorded via the interface between the IDEAS acquisition system in the buyer's core financial system prior to transmittal of the authorized order to the seller. If the obligation number is different from the order number, then the obligation record must include the intra-governmental order number and any interagency agreement associated with the obligation.

(3). Approve the receipt of reimbursements/advances from a requesting agency or entity under IAAs.

(4). Review agreement and documentation to ensure they are consistent with DOI accounting standards.

(5). Assist the program officer and approving official in developing agreement requests.

(6). Establish and maintain contact with each party to the agreement to ensure financial responsibility and work with each party to the agreement to amend and resolve funding issues related to the agreement.

(7). Ensure that full costs are recovered for any receivable IAA that specifies full cost recovery or that any permitted waiver has been obtained. Generally, full cost (direct and indirect) recovery should be made. For some statutes, such as the Economy Act, full cost recovery is mandated by statute. Nonetheless, there are exceptions to full cost recovery that may be made with the advice of the Bureau/Departmental Offices' CFO when any of the following conditions are met:

(a). The recovery of full cost is in conflict with statutory requirements or would seriously impair the objectives of the program or public policy.

(b). A Bureau/Departmental Office CFO may recommend to the Office of Management and Budget (OMB), through the Departmental ASPMB/CFO, that exceptions to the general policy be made when:

- (i). the cost of collecting the fees would be an unduly large part of the receipts of the activity.
 - (ii). payment of the full cost by a federal agency would not be in the best interest of the program.
 - (iii). the furnishing of information to a recipient is clearly a reasonable exchange of information with a voluntary contributor of information to a Department program.
 - (iv). any other condition exists that, in the opinion of the CFO, justifies an exception.
- (8). Ensure that payments are made and received according to the conditions of the agreement but not less frequently than quarterly.
 - (9). Provide full accounting support and financial advice to program officers, the Bureau/Departmental Offices, and others as needed.
 - (10). Provide financial data and reports on agreements as requested by other federal agencies, the Bureau/Departmental Offices, or the program officer.
 - (11). Record the financial transactions associated with each agreement, as appropriate.
 - (12). Develop procedures for requesting and receiving funds from each party to the agreement.
 - (13). Maintain financial records for all Bureau/Departmental Offices agreements, including payout, accounts receivable, and advance payments.
 - (14). Identify any restrictions on the federal funds, e.g., one-year/no-year funds, and provide notification(s) as appropriate.
 - (15). Ensure that only properly delegated officials obligate funds.
 - (16). Determine overhead rates.
 - (17). Develop procedures to assure that all required data elements are collected in the financial system and transmitted to the Inter/Intra Governmental Transaction Portal.

C. Contracting Functions.

- (1). Ensure that the payable IAA made under the authority of the Economy Act is supported by the requisite D&F as set forth at FAR 17.503, and provide clearance, as appropriate, on those agreements in accordance with FAR CFR 17.5.
- (2). Provide advice and guidance as requested to the program officer in the development of an

adequate D&F in accordance with FAR17.5.

(3) The Contracting Officer is responsible for signing the Agreement and D&F.

D. Coordinating/Liaison Functions.

(1). Serve as the primary contact to the DOI ASPMB/CFO on IAA.

(2). Provide required electronic information to be included in the Departmental Information System for IAA's. Develop applicable guidance after consultation with Bureau Departmental Offices.

(3). Assure that the Bureau/Departmental Offices or major components of the Bureau/Departmental Offices establish internal review processes for IAA and have written guidance on the procedures for IAA in accordance with Chapter 7.

(4). Attend meetings convened by PFM on IAA and report to the appropriate official(s) in the Bureau/Departmental Offices on any issues affecting the use of IAA.

E. Programmatic/Project Functions.

(1). When the IAA is prepared by DOI, develop the agreement, including writing and editing the agreement. This includes preparing appropriate terms and conditions for the agreement. Negotiate, as necessary, and assure that the agreement follows appropriate DOI rules and other legal requirements.

(2). When the agreement is not prepared by DOI, review the agreement presented to DOI, negotiate as necessary, and assure that the agreement follows the appropriate DOI and legal requirements. When possible, other parties should be encouraged to draft the agreement using the DOI models to ensure that the appropriate provisions are included in the agreement.

(3). Coordinate as necessary with each party to the agreement and identify the responsibilities of each partner.

(4). Request reservation of funds for the agreement, if applicable.

(5). Ensure that the agreement is assigned a Bureau/Departmental Office agreement identification number and that the number is displayed on agreements, amendments, correspondence, and other documentation, as appropriate.

(6). Ensure that the IAA is reviewed by the appropriate Bureau/Departmental Offices' officials.

(7). Provide a briefing to the approving official and other appropriate officials as necessary.

(8). Coordinate with the budget officer and contracting or grants officer prior to approval when an IAA is expected to be the basis for a prospective procurement or financial assistance award.

- (9). Coordinate the preparation of the D&F for every servicing entity IAA made under the authority of the Economy Act. For every receiving entity IAA made under the authority of the Economy Act, obtain a copy of the requesting agency's required D&F or otherwise document the requesting agency's assurance that the required D&F was properly executed.
- (10). Monitor performance and progress under the agreement.
- (11). Ensure that the agreement is properly administered.
- (12). Maintain a complete programmatic/project file for each agreement, including all documentation related to agreements. Files should include information as required in Chapter 8, Section A, of this Handbook.
- (13). Track all relevant costs, including direct labor, equipment, supplies, travel, and the proper overhead rate for an IAA, as applicable.
- (14). Ensure that the IAA is properly closed out and that the file is retained in accordance with the applicable Records Retention Schedule. (Contracting Officer's responsibility in the case of an Intragovernmental Order – IAA subject to the Economy Act.)

CHAPTER 7. OTHER INFORMATION AND ADMINISTRATIVE REQUIREMENTS

1. A-76 Requirements. OMB Circular A-76, “Performance of Commercial Activities,” prohibits the government from starting or continuing activities to provide a commercial product or service if the commercial product or service can be procured more economically from a commercial source. Unless the transaction lies within certain exceptions specified at Part I, Chapter 1, Section C of the Supplement to OMB Circular A-76, a federal agency that wishes to procure goods or services from another federal agency must prepare an analysis of its requirements to determine that use of another agency’s resources is necessary. The Economy Act (31 USC § 1535) authorizes agencies to enter into mutual agreements to obtain goods and services by interagency acquisition but, in accordance with 48 CFR 17.502(c), does not exempt such acquisitions from the requirements of 48 CFR 7.3, “Contractor versus Government Performance,” which implement OMB Circular A-76 requirements.

The cost comparison requirements of the Supplemental Handbook also apply to potential Inter-Service Support Agreements (ISSA) covering new, expanded, or transferred work (Part I, Chapter 2 of the Circular A-76 Supplemental Handbook).

2. Anti-deficiency Act. The Anti-deficiency Act, 31 USC § 1341-1342, prohibits Federal officials (unless they are specifically authorized by law) from: (1) obligating more funds than the agency has been appropriated by Congress and apportioned by OMB (31 USC § 1517); (2) spending funds before they are given to the agency; and (3) accepting voluntary services, unless in true emergency situations. If this Act is violated, the law requires the agency to determine which individual official is responsible for this violation. A violation must be reported by the Secretary to the President and Congress, specifically naming the individual responsible. Administrative discipline is required, and any willful violations of the Act are subject to criminal prosecution, with a fine up to \$5,000, two years imprisonment, or both. Questions concerning the Anti-deficiency Act should be referred to OS-SOL.

3. Appropriations. An appropriation provides budget authority for the purpose(s) stated in the law. However, budget authority is not money; it is the authority to incur a legal obligation to pay a sum of money from the U.S. Treasury. These are funds (spending authority, not actual money) that are provided to federal agencies through laws passed by Congress. They are subject to limitations on purpose, time, and amount. The ability of an agency to spend appropriations is subject to the purposes set forth in various provisions contained in annual appropriations acts, as well as existing statutes unless the appropriation specifically exempts it from those statutes. See Section O, “Purpose Statute,” of this Chapter. Once the time limitation on an appropriation expires, funds provided pursuant to that appropriation are considered no longer available. These funds will revert back to the U.S. Treasury unless otherwise authorized by statute.

4. Augmentation. “Augmentation” of funds by a federal agency from an outside source is not legal unless authorized by a specific statute. Examples of such statutes include the Economy Act (31 USC § 1535), and other legal authorities, including those that allow DOI to accept User Charges.

5. Bona Fide Needs Rule. The bona fide needs rule provides that an appropriation which is limited for obligation to a definite period is available only for obligation for the legitimate needs of the agency arising during that period of availability. No-year funds are not subject to the bona fide needs rule. Questions concerning the bona fide needs rule should be referred to OS-SOL.

6. Conflicts of Interest. DOI officials must rigorously avoid conflicts of interest in connection with agreements. A conflict of interest exists when a person participates in a matter that is likely to have a direct and predictable effect on his or her financial interests. A conflict also exists where there is an appearance that a person’s objectivity in performing his or her responsibilities is impaired. An organizational conflict exists where, because of other activities or relationships with other persons or entities a person is unable or potentially unable to render impartial assistance or advice to the government. Conflicts of interest should be avoided, but if they are discovered, they should be resolved promptly through disqualification, divestiture, or other appropriate measures. The Office of Ethics should be contacted if there is any question about a possible conflict of interest.

7. Freedom of Information Act (FOIA). The FOIA (5 U.S.C. § 552) generally provides that any person has a right of access to federal agency records, except to the extent that such records (or portions thereof) are protected from disclosure by exemptions to the FOIA. The DOI regulations implementing the FOIA are found at 43 CFR Part 2 and that sets forth rules for DOI and Bureau/Departmental Offices to make requested materials, information, and records publicly available under FOIA. No agreement can make any assurance that all information will be withheld.

8. Multiple Award Schedule Contracts. Orders under a General Services Administration (GSA) Federal Supply Schedule contract are procurements; therefore, they are not a type of agreement covered by this Handbook. Orders placed by an executive agency with a GSA Federal Supply Schedule contractor fall under the authority of Sections 201(a) and 211(b) of the Federal Property and Administrative Services Act of 1949 (amended) and may be placed directly with the contractor by a contracting officer or other individual with delegated procurement authority. However, if a DOI entity requests another agency or another DOI entity to place an order for it or if a DOI entity acts as the servicing agency in placing an order for another agency or another DOI entity, the document transferring the funds between those agencies IS subject to this Handbook.

9. Purpose Statute. The Purpose Statute, 31 USC § 1301(a), provides that appropriations shall be applied only to the purpose for which the appropriations were made except as otherwise provided by law. The statute restricts an agency from using its funds for certain types of expenditures (e.g., personal expenses of employees like food and beverages) that are not authorized by law or Department regulation. Before funds are obligated, a Bureau/ Office must ensure that either: (1) there is statutory authority for this expenditure, or (2) the expenditure is a

necessary expense in furtherance of an authorized activity and is not otherwise prohibited. Contact OS-SOL for assistance in determining whether an expense is justified under a particular appropriation.

10. Bureau/Departmental Office Procedures. DOI Bureau/Departmental Offices shall issue supplemental procedures that do not conflict with the provisions of this Handbook. The Bureau/Departmental Offices' procedures will establish internal processes for each type of IAA. The Bureau/Departmental Offices procedures must describe programmatic and procedural requirements, including unique statutory or regulatory requirements. The Bureau/Departmental Offices' procedures shall include at a minimum the following information:

- (A). Explicitly assigned responsibilities listed in Chapter 6, Section 6, of this Handbook and identification of the official (by position, not individual name) responsible for each task.
- (B). The minimum path of review and approval, with thresholds (if any), for reviews and clearances.
- (C). Guidance concerning the specific location(s) from which OS—SOL (Procurement and Patents) clearance must be obtained for particular types of IAAs and/or authorities.
- (D). Procedures for any amendments, continuations, and renewals of agreements.

11. Overhead Rate. Overhead represents indirect costs or expenses of an agency that cannot be charged as belonging exclusively to any particular part of the project or service being performed by DOI personnel (rent, electricity, administrative support, general office expenses, depreciation, etc.). The individual Bureau/Office's CFO determine overhead rates for their organizational units based on cost experience from prior years.

CHAPTER 8. RECORDKEEPING

1. Official Agreement File. The Bureau/Departmental Office responsible for managing the IAA shall maintain an official file for each IAA. This file, regardless of location(s), must contain the documents and information listed below, as applicable. The Official Agreement File does not include reference files that may be maintained by other offices, such as any files in connection with clearances of agreements.

A. A copy of the agreement and all amendments, revisions, or changes with original signatures or certified copy of original signatures by all parties to the agreement. The Bureau/Departmental Office file copy of each of these documents shall contain the Bureau/Departmental Offices agreement identification number displayed so that it can be easily seen.

B. A copy of all appropriate correspondence generated or received by the Bureau/ Office related to the agreement. The Bureau/ Office file copy of correspondence should contain the Bureau Office's agreement document control number displayed so that it can be easily seen. In those instances where there are many transactions and voluminous correspondence relating to one agreement, it may be necessary to file and maintain part(s) of the Official Agreement File in multiple locations, especially if some of the records are electronic.

C. For interagency agreements under the authority of the Economy Act, the Official Agreement File must include D&F information (where DOI is the requesting agency, this is the original signed copy of the D&F).

D. A copy of relevant clearance documents obtained in developing and completing the agreement.

E. A copy of the proposed budget or other basis for estimating funds to be obligated, both DOI and non-DOI funds, and estimating value of resources committed, both DOI and non-DOI resources, as applicable.

F. Financial information (billing, receivables, payables, etc), if applicable.

G. Identity and location of any pertinent IAA files that are housed in other locations.

H. Citation for legal authority to transfer funds or commit resources (usually included in the text of the IAA).

I. Citation for programmatic authority for the objectives of the IAA.

J. Other pertinent material.

2. Retention. The Official Agreement File must be retained in accordance with the applicable Records Retention Schedule. The Schedule is a document approved by the National Archives and Records Administration, providing authority for the final disposition of recurring or non-recurring records. The records can be in either written or electronic form. In developing the schedule, consideration should be given to the volume of the file and the different categories and value of the records that constitute the files, e.g., legal and other correspondence relating to the agreement, transactions correspondence, and electronic records. These documents may have different retention periods.

<http://www.lib.lsu.edu/special/archives/Retentionschedules/RSdesign/DOI.html>

Appendix One

Need to Add OMB Memo and Attachments

APPENDIX TWO

The table below lists some of the exceptions to using the Economy Act as the authority to obtain supplies/services from other Government Agencies. It includes non-Economy Act purchase examples, their Government source, and the applicable legal authorities.

SUPPLY OR SERVICE	GOVERNMENT SOURCE	LEGAL AUTHORITY/ REFERENCES	
Administrative Stores Stock -- Fedstrip orders for supplies such as paper, pencils, some furniture, etc.	General Services Administration (GSA) Supply Centers	40 United States Code (USC) 481	
Administrative Charges Only for use of a USGS contract (i.e. ESRI or Data General)	U S Geological Survey (USGS)	USGS/ESRI-Data General contract terms	
Building and/or Space Leasing	GSA	41Code of Federal Regulations (CFR) 101.20.002-2 FAR 23.705 FAR 45	
Charts and Maps	USGS	43 USC Chapter 2, Section 42	
Federal Telephone Services (FTS) 2001 for long distance calls	GSA	Federal Supply Schedule FTS 2001 contract terms	
Furniture, Signs, Mattresses, Gloves etc.	Federal Prison Industries also known as UNICOR	18 USC 4121-4128 FAR Part 8.6	
Government Owned Automobile Leasing, Motorpools	GSA	40 USC 491 41CFR101.38 FAR Part 8.11	
GSA-Tri Parts - Computer programming and analyst service contracts with GSA as the prime contractor	GSA	Information Technology Management Reform Act of 1999, 40 USC 757 Division E of Public Law 104-106, 110 679	
Postage (Also sold to the public)	U.S. Post Office (USPO)	Public Law 91-375 USC 101	
Printing, duplicating, and related supplies and services	Government Printing Office (GPO)	Public Law 102-392, Title II 207 44 USC 501 FAR 8.802	
Purchase Orders or Contracts placed under the Small Business Act, Section 8(a) with SBA as the Prime Contractor	Small Business Administration (SBA)	15 USC 637(a) 15 USC. 644 FAR 19	
Reimbursable Work Authorizations Repair, modification, or renovation of GSA owned and managed buildings or other structures	GSA	Public Law 94-579, FLPMA, as amended, Section 307	
Standard Forms and Optional Forms	GSA	CFR 41 Part 101-11	

Finger Prints, Background Checks, Staffing Services, Vacancies	Office of Personnel Management (OPM)	5 Code of Federal Regulations Chapter 1 (1-1-99 Edition) Office of Personnel Management, Part 736, Subpart B	
Department of the Interior Forms	Bureau of Land Management (BLM)	BLM maintains all DOI forms	
Film and Video Production	U.S. Film and Video Productions, Minerals Management Service	Government Management Reform Act	

Appendix Two